

REPLACEMENT CLAIMS

Please substitute the following claims for the pending claims with the same number.

55. (Amended) A method of providing an incentive for participant action by participants engage in an activity pursuant to which participants earn points, and a record of the point total for each participant is maintained, the point total reflecting the points earned by the participant engaged in the activity, the method comprising:

22 providing an incentive program pursuant to which participants in the incentive program are assigned a redemption rate and the redemption rate assigned to each participant is adjusted in response to participant action and wherein the redemption rate associated with a participant determines the redemption value of the point total associated with that participant such that the redemption value for two participants having an identical point total can be different as a consequence of participant action in the incentive program. K

56. (Amended) The method of Claim 55, wherein the incentive program is used to encourage the participants to participate in the activity frequently, and comprising the method further determining whether a predetermined time period has elapsed between consecutive participation and wherein:

if the player has a positive credit point balance, the redemption rate is increased by predetermined amount every time the participant participates within the predetermined time period;

if the player has a negative point balance then the redemption rate is decreased by predetermined amount every time the participant participates within the predetermined time period;

Q2
Cont'd if the player has a positive point balance, the redemption rate is decreased by predetermined amount whenever the predetermined time period interval has passed without the participant participating; and *B*

if the player has a negative point balance then the redemption rate is increased by predetermined amount whenever the predetermined time period interval has passed without the participant participating.

~~57.~~ (Delete)

~~58.~~ (New) The method of Claim 55, wherein the incentive program is used to

Q3 encourage participant loyalty to a particular merchant.
